

Natural Resources Commission

Policy Committee on Finance and Administration

December 4, 2008



Year-End Fund Balances

Snowmobile Registration Fund Reductions

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DEPARTMENT OF NATURAL RESOURCES
ENDING BALANCES FOR MAJOR RESTRICTED REVENUE FUNDS
FISCAL YEAR 2007-08

	Est. Ending Balance (Jul-08)	Actual Ending Balance (1)	Notes Regarding Significant Variations
<u>Forestry Funds</u>			
Forest Development Fund	\$4,100,000	\$6,828,500	Higher than projected timber sale revenue
Forest Recreation Fund	\$0	(\$193,600)	Capital outlay will be held until there is sufficient revenue
Forest Land User Fund	\$300,000	\$579,100	Higher than projected permit activity
Commercial Forest Fund	\$100,000	\$86,200	
<u>Game and Fish Funds</u>			
Game and Fish Protection Trust Fund	\$6,000,000	\$6,000,000	
Game and Fish-General Purpose	\$4,000,000	\$138,700	Lower than projected license sale revenue; Expenditures at 99% versus 95% of the appropriated level
Deer Range Improvement Program	\$1,800,000	\$1,515,600	
Turkey	\$1,500,000	\$1,329,500	
Waterfowl License and Fees	\$300,000	\$268,500	
Fisheries Settlements	\$1,300,000	\$1,497,100	
Wildlife Resource Protection	\$400,000	\$406,800	
Youth Hunting & Fishing Ed. & Outreach	\$100,000	\$188,400	
<u>Parks Funds</u>			
State Parks Endowment Fund	\$7,800,000	\$8,246,700	
State Park Improvement Fund	\$2,000,000	\$2,033,900	
MI Civilian Conservation Corps Endow.	\$600,000	\$775,200	
<u>Snowmobile and ORV Funds</u>			
Off-Road Vehicle Trail Improvement Fund	\$2,200,000	\$2,758,500	Close-out of prior year projects
Snowmobile Trail Improvement Fund	\$1,600,000	\$4,838,400	Close-out of prior year grants to snowmobile clubs
Snowmobile Registration Fees	\$0	\$45,200	
Safety Education Fund	\$300,000	\$318,500	
<u>Waterways Funds</u>			
Waterways	\$500,000	\$1,191,900	Lower expenditures based on current and prior year lapses
Harbor Development Fund	\$0	\$0	
Marine Safety Fund	\$300,000	\$704,300	Lower expenditures based on law enforcement time devoted to Chronic Wasting Disease surveillance
<u>Miscellaneous Funds</u>			
Michigan Natural Resources Trust Fund	\$38,000,000	\$48,552,800	Higher than projected oil/gas revenue
Land Exchange Facilitation Fund	\$200,000	\$756,300	Higher than projected revenue from the sale of land
Nongame Fish and Wildlife Trust Fund	\$300,000	\$243,100	
Recreation Improvement Fund	\$0	\$379,400	Close-out of prior year projects
MacMullan Conference Center	\$100,000	\$66,500	

(1) Actual ending fund balances are subject to final review and approval by the Department of Management and Budget's Office of Financial Management.

EXPLANATION OF PROJECTED AVAILABLE BALANCES & CURRENT SPENDING AUTHORITY REPORT (FY 2009)

The report provides projected available balances for the major restricted revenue funds based on beginning available fund balances, projected revenues, and projected amounts reserved for permanent investment. The projected available balance of each fund is compared to the amount of current expenditure authority to project whether a surplus or shortfall is anticipated. An explanation of the columns of the report follows:

- | | |
|----------|---|
| Column A | The beginning available restricted fund balances as of October 1, 2008. These balances are subject to final review and approval by the Department of Management and Budget's Office of Financial Management. |
| Column B | Revenues that are projected for FY 2009. Actual revenues are impacted by changes in market conditions and other external factors. As a result, these projections are updated periodically throughout the year. |
| Column C | The estimated amount reserved for permanent investment. The amount can vary based on actual mineral revenues. As a result, the projection is reviewed periodically throughout the year. |
| Column D | The estimated amount available by fund. This is the sum of columns A and B, less column C. |
| Column E | The amounts appropriated for FY 2009 by fund for operations, capital outlay, and other departments. |
| Column F | Amounts that will not be expended. |
| Column G | Current expenditure authority by fund for FY 2009, reflecting planned reductions. This is the sum of columns E and F. |
| Column H | A comparison by fund of the estimated amount available and the current expenditure authority for FY 2009. This is the difference between columns D and G. A positive balance represents a surplus, meaning the amount available is projected to exceed the current expenditure authority for FY 2009. A negative balance represents a shortfall, meaning the amount available is projected to be insufficient to fully utilize the current expenditure authority for FY 2009. |

DEPARTMENT OF NATURAL RESOURCES
PROJECTED AVAILABLE BALANCES & CURRENT SPENDING AUTHORITY FOR MAJOR RESTRICTED REVENUE FUNDS
FISCAL YEAR 2008-09

	A Beginning Balance	B Estimated Revenue	C Reserved for Investment	D=(A+B)-C Est. Available Balance	E Appropriation PA 252 of 2008	F Planned Reductions	G=E+F Current Spend. Authority	H=D-G Estimated Surplus/(Shortfall)
<u>Forestry Funds</u>								
Forest Development Fund (2)	\$6,828,500	\$28,171,100		\$34,999,600	\$31,565,500		\$31,565,500	\$3,434,100
Forest Recreation Fund	(\$193,600)	\$1,250,000		\$1,056,400	\$1,435,900		\$1,435,900	(\$379,500)
Forest Land User Fund	\$579,100	\$613,200		\$1,192,300	\$569,200		\$569,200	\$623,100
Commercial Forest Fund	\$86,200	\$30,100		\$116,300	\$53,800		\$53,800	\$62,500
<u>Game and Fish Funds</u>								
Game and Fish-General Purpose (1)	\$138,700	\$57,950,500		\$58,089,200	\$68,303,900		\$68,303,900	(\$10,214,700)
Deer Range Improvement Program	\$1,515,600	\$2,357,400		\$3,873,000	\$3,156,100		\$3,156,100	\$716,900
Turkey	\$1,329,500	\$1,555,400		\$2,884,900	\$1,894,400		\$1,894,400	\$990,500
Waterfowl License and Fees	\$268,500	\$297,600		\$566,100	\$111,100		\$111,100	\$455,000
Fisheries Settlements	\$1,497,100	\$564,700		\$2,061,800	\$908,600		\$908,600	\$1,153,200
Wildlife Resource Protection	\$406,800	\$1,115,700		\$1,522,500	\$1,661,700	(\$200,000)	\$1,461,700	\$60,800
Youth Hunting & Fishing Ed. & Outreach	\$188,400	\$38,200		\$226,600	\$28,700		\$28,700	\$197,900
<u>Parks Funds</u>								
State Parks Endowment Fund (1)	\$8,246,700	\$16,693,100	\$5,000,000	\$19,939,800	\$13,875,600		\$13,875,600	\$6,064,200
State Park Improvement Fund (2)	\$2,033,900	\$38,411,800		\$40,445,700	\$40,923,600		\$40,923,600	(\$477,900)
MI Civilian Conservation Corps Endow.	\$775,200	\$17,800		\$793,000	\$512,400		\$512,400	\$280,600
<u>Snowmobile and ORV Funds</u>								
Off-Road Vehicle Trail Improvement Fund	\$2,758,500	\$3,406,200		\$6,164,700	\$4,755,100		\$4,755,100	\$1,409,600
Snowmobile Trail Improvement Fund	\$4,838,400	\$7,176,400		\$12,014,800	\$9,977,600		\$9,977,600	\$2,037,200
Snowmobile Registration Fees	\$45,200	\$1,227,200		\$1,272,400	\$2,315,300	(\$1,041,900)	\$1,273,400	(\$1,000)
Safety Education Fund	\$318,500	\$203,500		\$522,000	\$216,800		\$216,800	\$305,200
<u>Waterways Funds</u>								
Waterways (Combined with Harbor Dev.) (2)	\$1,191,900	\$22,942,500		\$24,134,400	\$25,273,000		\$25,273,000	(\$1,138,600)
Marine Safety Fund	\$704,300	\$4,919,300		\$5,623,600	\$6,154,300	(\$500,000)	\$5,654,300	(\$30,700)
<u>Miscellaneous Funds</u>								
Land Exchange Facilitation Fund (3)	\$756,300	\$2,300,000		\$3,056,300	\$6,306,600		\$6,306,600	(\$3,250,300)
Nongame Fish and Wildlife Trust Fund (1)	\$243,100	\$585,500		\$828,600	\$710,100		\$710,100	\$118,500
Recreation Improvement Fund	\$379,400	\$987,700		\$1,367,100	\$1,473,800		\$1,473,800	(\$106,700)
MacMullan Conference Center	\$66,500	\$1,133,200		\$1,199,700	\$1,429,000		\$1,429,000	(\$229,300)

(1) Revenue includes an investment revenue component. The revenue projections provided assume a market recovery.

(2) Includes capital outlay authority.

(3) The expenditure level of this fund is determined by the amount of land that is sold. New acquisitions are not advanced until sufficient revenue is generated.